

**ABSTRACT**

An advertising server stores data of both consumers and merchants. Consumer data includes samples of a consumer's location at various points along routes taken by a consumer's mobile IP terminal. Merchant data includes the geographic locations of the merchant's stores. The advertising server uses the consumer and merchant data to select merchants located in proximity to paths frequently traveled by a consumer. Merchant selection may take into account other factors such as demographics. The advertising server then provides selected merchant servers with an opportunity to have the advertising server deliver advertisements to the consumer on the merchant's behalf. Based on consumer data provided by the advertising server and predetermined criteria established by the merchant, each merchant server transmits an advertisement and a "willingness to pay" to the advertising server. The advertising server receives the responses and transmits to the consumer the advertisements associated with a sufficient willingness to pay for delivery.